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CHINA.

DAIREN.

By Consul A. A. Williamson.

A general boom in business in nearly all lines throughout Manchuria made the year of 1917 a very prosperous one for the port of Dairen and the Leased Territory. So great has been the volume of business passing through Dairen in recent years, that, as a foreign-trade port of China, it has risen from fifth place in 1912 to second place in 1917. This was largely due to war conditions and is not likely to be permanent. Dairen came largely into favor as a route to Russia, and it seemed at one time as though a large business with that country would be done through this port as a partial substitute for Vladivostok. Prices for land and rents for business places greatly advanced, and suitable offices became very difficult to obtain despite increased construction. The boom in business was aided by the continuing high price of silver in the interior, notwithstanding currency complications.

Principal Features of the 1917 Trade.

The fat shortage in America gave rise to a greater demand than ever for bean oil, which was sent in a steady stream across the Pacific, chiefly to Seattle, by direct steamers under charter by the shippers. The mills worked as never before and speculation on the Produce Exchange was heavy, resulting eventually in lawsuits between buyers and sellers that involved large sums. These, however, were compromised and brought to an end in February, 1918, by arbitration, largely as the result of efforts on the part of the Government General.

The outstanding feature of the year was the unprecedented prosperity of Manchuria despite greatly increased shipping difficulties. Though export restrictions enforced in America frequently delayed deliveries, no great difficulty seems to have been encountered in securing all the supplies desired. In the export trade the chief difficulty was restrictions placed on ship movements by Japan. These, however, did not affect trade with Japan, which consequently thrived, and important oil exporters did not seem to have much difficulty in securing transportation by Japanese steamers to Seattle.

On account of the difference in the exchange value of the haikwan (customs) tael, which was $0.8283 in 1916 and $1.02 in 1917, the quantities in the tables in this report should be compared rather than values.

The net trade of the port of Dairen increased from $82,600,000 in 1916 to $138,700,000 in 1917. In 1917 net foreign imports show an increase of more than 100 per cent over those of the previous year,

and the total exports of local origin increased about 40 per cent over those of 1916. The net and gross values of the trade of Dairen during 1916 and 1917 are shown below:

Imports and exports.	1916	1917
Imports of foreign goods:		
From foreign countries and Hongkong	$27,630,596	$59,439,879
From Chinese ports	6,064,333	9,687,548
Total foreign imports	33,694,929	69,127,535
Reexports of foreign goods:		
To foreign countries and Hongkong	2,012,675	2,043,711
To Chinese ports (chiefly Tientsin, Lungkow, Chefoo, and Tsingtau)	1,900,941	2,638,561
Total foreign reexports	3,913,616	4,682,272
Total net foreign imports	29,781,313	64,445,263
Imports of Chinese products (chiefly from Tientsin, Lungkow, Chefoo, Tsingtau, and Shanghai)	9,733,971	14,477,112
Reexports of Chinese products:		
To foreign countries and Hongkong	2,136,278	4,642,836
To Chinese ports	48,732	66,409
Total Chinese reexports	2,185,010	4,709,245
Total net Chinese imports	7,548,961	9,767,867
Exports of Chinese products of local origin:		
To foreign countries and Hongkong	35,728,991	47,964,216
To Chinese ports	9,585,850	16,486,738
Total exports of local origin	45,314,841	64,450,954
Gross value of the trade of the port	88,743,741	148,055,601
Net value of the trade of the port	82,645,115	138,664,084

Trade of Dairen by Countries.

Japan still leads in the foreign trade of Dairen, followed by America. The imports from and exports to both these countries showed a remarkable advance during 1917. France was the only European country whose trade with Dairen increased appreciably, while that with Sweden ceased entirely. The details of Dairen's foreign trade are shown in the following table:

Countries.	1916			1917		
	Gross imports of foreign goods.	Exports plus reexports of native goods.	Total trade.	Gross imports of foreign goods.	Exports plus reexports of native goods.	Total trade.
British India	$173,121	.....	$173,121	$493,855	$6,324	$500,179
Dutch East Indies	79,867	$746,816	826,683	100,985	552,277	653,262
France	82,500	187,831	270,331	178,243	310,915	489,158
French Indo-China	3,479	35,912	39,391	5,247	15,096	20,343
Germany	2,860	.....	2,860	.....	.....	.....
Hongkong	1,117,722	604,829	1,722,551	2,240,941	1,080,608	3,321,549
Italy	33,048	.....	33,048	42,843	.....	42,843
Japan (including Taiwan)	21,255,358	27,442,129	48,697,487	45,140,421	30,628,149	75,768,570
Chosen (Korea)	1,522,532	1,218,376	2,740,908	2,268,966	2,230,651	4,499,617
Netherlands	438	.....	438	184	.....	184
Philippine Islands	28,990	159,939	188,929	8,359	223,826	232,185
Russia and Siberia, by land frontier	.....	264,381	264,381	.....	.....	.....
Russia, Pacific ports	823,898	119,362	943,260	1,962,510	8,255	1,970,765
Singapore, Straits Settlements, etc	3,645	123,367	127,012	21,033	124,277	145,310
Sweden	2,587	1,117,476	1,120,063	.....	.....	.....
Turkey, Persia, Egypt, Aden, Algeria, etc	963	166,928	167,891	571	.....	571
United Kingdom	787,136	1,966,256	2,753,392	903,092	.....	903,092
United States (including Hawaii)	1,681,094	2,117,266	3,798,360	5,447,729	16,237,900	21,685,629
All other countries	31,358	1,594,401	1,625,759	625,008	1,188,774	1,813,782
Total	27,630,596	37,865,269	65,495,865	59,439,987	52,607,052	112,047,039

Increases Noted in Imports.

Notable increases were shown in certain articles of import, such as gunny bags, foreign flour, coffee, Japanese cottons, aniline dyes, gasoline, glass, sole leather, shoes, machine tools and machinery, nails, pipes and tubing, native rails, steel, condensed milk, morphia, American kerosene, barrel shooks, native silk piece goods, cotton socks, refined and white sugar, timber, prepared tobacco and cigarettes, and certain woolen goods. The Russian demand for coffee, shoes and leather, sugar, cloth, etc., caused many of these increases. Activities in the Leased Territory and the interior were reflected in the increases in building materials, pipes and tubing, machinery and machine tools, gasoline (due largely to the increased use of automobiles), glass, etc. Much merchandise is being held over as it could not go forward to Russia, though some of it was disposed of locally.

Despite many disturbances in the interior, Japanese cottons had a very good year and showed large increases in nearly all classes and, but for violent fluctuations on the Osaka market, would doubtless have shown even greater increases. Trade in American gray shirtings and drills showed a marked decrease, but English drills, white shirtings, jeans, and T cloths increased substantially, as did American gray sheetings.

American flour was replaced by Japanese and Chinese flour on the market. The amount of American kerosene imported appears extraordinary. An American oil company, which works through a Japanese concern as agents, is said to have imported a large quantity of kerosene and to have established a depot at Dairen for Manchuria; but the figures given by the Customs in this instance appear more than doubtful.

Imports from Foreign Countries and Chinese Ports.

The following table shows the quantity and value of the principal articles imported at Dairen from foreign countries and Chinese ports during 1916 and 1917:

Articles.	1916		1917	
	Quantity.	Value.	Quantity.	Value.
Bags, gunny:				
New.....number..	8,829,050	$1,096,965	17,841,604	$3,275,719
Old.....do....	1,715,239	113,658	3,636,674	296,753
Beans, yellow (soya).....tons..	15,853	462,402	53,146	2,032,852
Books, printed.....	.....	74,574	.....	70,062
Breadstuffs:				
Flour—				
Foreign.....tons..	1,786	117,621	13,860	764,062
Native.....do....	14,069	696,216	16,589	1,091,368
Rice—				
Foreign.....do....	19,113	1,092,333	20,392	1,248,015
Native.....do....	4,170	181,316	6,203	322,673
Candle-making materials.....	.....	64,455	.....	102,962
Cars, passenger and freight.....	.....	109,560	.....	177,448
Cement.....tons..	12,365	168,986	12,749	214,567
China and earthen ware.....	.....	166,180	.....	202,067
Clogs and sandals, Japanese.....	.....	62,361	.....	75,999
Cocaine.....ounces..	5,940	31,243	3,658	39,177
Coffee, raw.....pounds..	507,292	94,543	17,022,457	2,864,880
Cordage and twine.....tons..	284	92,330	125	52,619
Cotton, and manufactures of:				
Raw cotton, native.....	.....	53,367	.....	59,384
Cotton cloth—				
Japanese (imitation native).....pieces..	1,469,974	1,254,722	1,492,609	1,569,261
Native, fancy.....do....	69,108	128,795	251,326	563,975

Articles.	1916		1917	
	Quantity.	Value.	Quantity.	Value.
Cotton, and manufactures of—Continued.				
Drills—				
Japanese.....pieces..	29,627	$81,376	44,463	$217,157
Other.....do....	11,416	43,214	890	3,970
Flannel.....do....	17,368	57,430	49,779	210,787
Jeans—				
English.....do....	15,207	46,501	18,054	63,044
Japanese.....do....	123,082	307,968	91,611	304,204
Nankeens, native.....tons..	223	140,335	493	357,890
Poplins, dyed—				
Plain.....pieces..	7,345	46,239	13,190	107,630
Figured.....do....	12,275	93,540	16,086	147,070
Sheetings, gray, plain—				
Foreign.....do....	89,869	235,849	121,925	474,920
Native.....do....	22,748	95,332	22,337	79,744
Shirtings, foreign, plain—				
Gray—				
American.....do....	6,844	23,186	.....	.....
English.....do....	11,732	39,498	11,027	43,778
Japanese.....do....	26,746	77,547	52,010	211,472
White, English.....do....	84,089	278,604	97,200	475,891
Socks.....dozen..	64,482	60,944	138,648	180,193
T cloth.....	.....	52,786	.....	65,213
Thread, spools.....gross..	48,835	80,900	64,774	251,063
Towels.....dozen..	104,276	56,700	124,443	76,748
Venetians—				
Fast black.....pieces..	10,068	60,878	11,227	96,192
Other, plain, colored, and figured.....do....	8,331	54,213	12,224	100,135
Yarn, foreign—				
Dyed.....	.....	65,538	.....	72,293
Gray, bleached, Japanese.....tons..	1,428	443,451	1,445	608,180
Dyes and colors:				
Aniline.....	.....	.....	.....	230,348
Indigo—				
Artificial, liquid.....tons..	26	48,207	62	169,463
Vegetable.....do....	.....	.....	395	87,572
Electrical material and fittings.....	.....	662,367	.....	1,292,234
Explosives for industrial purposes.....tons..	164	103,191	95	87,641
Fish, dried and salted.....do....	1,815	103,122	1,537	100,182
Garters and ankle bands, pairs.....dozen..	343,039	78,559	310,478	151,427
Gasoline, benzine, etc.....gallons..	134,036	58,842	237,796	162,510
Glass, window, common.....boxes..	12,062	80,028	22,728	185,460
Leather and manufactures:				
Leather—				
Foreign—				
Calf and kid, colored.....tons..	21	61,711	125	638,434
Cow.....do....	219	163,208	228	174,471
Sole.....do....	771	769,325	1,678	1,925,658
Native.....	.....	76,931	.....	289,027
Manufactures: Boots and shoes.....pairs..	26,453	65,988	535,091	1,503,717
Machine tools.....	.....	.....	.....	140,599
Machinery and parts.....	.....	591,109	.....	1,400,270
Machines, embroidering, knitting, and sewing.....	.....	.....	.....	56,300
Matches.....gross..	2,266,065	651,422	1,331,640	420,420
Medicines, foreign.....	.....	467,619	.....	278,973
Metals and minerals:				
Copper.....tons..	210	100,117	220	153,117
Iron and mild steel, new—				
Angles.....do....	2,709	168,277	1,662	162,710
Bars.....do....	7,346	529,229	4,425	426,537
Beams and girders.....do....	1,472	[a] 157,235	948	89,965
Bolts, nuts, and washers.....do....	496	65,297	750	149,255
Fish plates and spikes.....do....	744	73,931	922	112,869
Nails, wire and cut.....do....	2,387	245,122	4,878	582,131
Pig and kentledge.....do....	3,254	116,688	6,093	370,852
Pipes and tubes.....do....	4,555	396,207	8,528	1,243,432
Rails—				
Foreign.....do....	6,614	345,159	7,645	584,817
Native.....do....	1,514	47,017	9,100	371,566
Sheets and plates.....do....	6,944	517,694	6,958	894,284
Iron, galvanized—				
Sheets—				
Corrugated.....do....	416	67,256	275	63,067
Plain.....do....	488	78,767	623	143,040
Wire.....do....	557	69,138	760	127,863
Lead.....do....	733	135,611	870	177,568
Steel (bamboo, bars, sheets, plates, and rope), tons.....	855	121,693	3,333	619,080
Tin plates.....tons..	1,388	224,188	928	233,331
Milk, condensed.....dozens..	18,567	30,758	20,151	36,997

[a] Excess of reexports over imports, not included in total.

Articles.	1916		1917	
	Quantity.	Value.	Quantity.	Value.
Morphia.....ounces..	28,080	$89,980	65,672	$730,142
Oil:				
Coconut.....gallons..	325,345	458,121	278,439	340,810
Engine and mineral.....do....	770,157	229,732	935,561	358,484
Kerosene—				
American.....do....	5,729,800	1,186,498	10,406,060	3,078,112
Japanese.....do....	1,091,645	271,263	1,088,820	322,073
Oil tins and cases, empty.....	.....	611,742	.....	813,240
Opium, Persian.....pounds..	39,817	333,460	23,867	179,524
Paints.....tons..	427	77,527	688	120,743
Paper:				
Imitation native.....do....	1,071	63,510	1,259	111,683
Japanese.....	.....	123,012	.....	138,500
Newspaper, old.....	.....	94,250	.....	194,565
Printing, sized—				
Calendered.....tons..	583	103,652	595	131,940
Uncalendered.....do....	901	111,994	1,221	222,588
Pepper, black and white.....do....	462	126,319	872	320,027
Perfumery and cosmetics.....	.....	91,213	.....	123,025
Piece goods, n. e. s.:				
Canvas and cotton duck.....yards..	303,557	60,214	439,577	99,411
Other.....	.....	81,674	.....	176,907
Potassium, chloride of.....tons..	51	59,190	57	42,727
Shooks for making casks.....	.....	62,000	.....	445,672
Silk and manufactures of:				
Foreign piece goods—				
Plain.....pounds..	12,064	60,047	16,054	122,072
Mixed.....do....	45,919	94,024	44,621	121,660
Native—				
Raw, wild.....do....	8,667	12,114	533	1,877
Piece goods.....do....	130,133	565,895	201,933	1,467,405
Singlets and drawers.....dozen..	61,301	162,016	75,899	278,702
Soap, foreign.....	.....	145,464	.....	266,788
Soda ash.....tons..	1,683	a 104,560	1,447	110,696
Soy.....do....	1,098	68,211	1,152	88,138
Spirits, wines, etc.:				
Beer and porter, in bottles.....dozen...	119,733	128,927	.....	203,462
Brandy and whisky, in bottles.....do....	6,850	55,604	.....	58,503
Champagnes.....do....	3,407	56,328	.....	57,922
Sake, in barrels.....tons..	2,353	254,387	.....	339,848
Stationery.....	.....	141,450	.....	218,250
Sugar:				
Brown.....tons..	1,466	83,759	978	64,350
Confectioner's.....do....	431	48,172	796	125,130
Refined.....do....	2,965	331,156	6,462	790,924
White.....do....	5,660	443,017	24,400	2,277,296
Sulphuric acid.....do....	2,049	113,309	129	10,867
Tallow, native:				
Animal.....do....	8,360	1,635,895	3,148	626,217
Vegetable.....do....	2,217	474,407	255	22,551
Ties, railway.....number..	430,032	320,576	484,699	321,431
Timber, foreign: Softwood.....square feet..	4,677,874	116,241	8,877,594	362,206
Tobacco, and manufactures of:				
Foreign tobacco (leaf).....tons..	218	47,924	932	171,140
Native tobacco—				
Leaf.....do....	755	60,973	919	126,537
Prepared.....do....	322	100,079	2,161	73,991
Cigarettes—				
Foreign.....thousands..	670,739	2,323,378	943,750	3,946,627
Native.....tous..	1,078	903,789	998	1,374,797
Cigar.....thousands..	3,527	58,428	1,271	18,798
Toilet requisites.....	.....	104,237	.....	111,385
Tools, hand.....	.....	51,283	.....	247,209
Trunks and suit cases.....	.....	55,122	.....	162,747
Waste, yarn, thread, and rags.....	.....	54,346	.....	95,921
Wax, paraffin.....	.....	408,957	.....	720,801
Wool, manufactures of:				
Coatings and suitings.....yards..	72,718	109,209	330,713	539,723
Piece goods.....	.....	58,523	.....	70,016
Woolen and cotton mixtures:				
Coatings and suitings.....yards..	184,726	153,009	522,220	484,724
Union and poncho cloth.....do....	63,919	42,355	131,636	100,701
All other articles.....	.....	7,891,303	.....	15,027,421
Total imports.....	.....	37,759,812	.....	74,213,130
Excess of reexports over imports.....	.....	429,538	.....	.....
Net total, imports.....	.....	37,330,274	.....	74,213,130

a Excess of reexports over imports, not included in total.

Imports Forwarded to Interior by Rail.

The pronounced increase shown in the following table, giving the quantity and value of the imports received at Dairen, from foreign countries and Chinese ports and forwarded to the interior by rail, was in a measure probably due to the increased activities in the interior, as rail trade with Russia practically ceased.

Articles.	1916		1917	
	Quantity.	Value.	Quantity.	Value.
Arms and ammunition		$114,372		$126,657
Bags, gunny:				
New...number	7,768,149	965,153	12,835,031	2,356,512
Old...do	279,678	18,532	399,334	32,586
Duty free...do	10,131,634	671,363	11,019,801	899,216
Books, printed, and music, engraved or printed		18,350		18,912
Breadstuffs:				
Barley...tons	1,102	48,131	859	44,424
Flour, wheat—				
Foreign...do	451	29,690	1,113	61,485
Native...do	3,117	169,795	3,778	248,528
Rice—				
Foreign...do	3,422	195,565	5,263	322,071
Native...do	367	15,962	952	49,506
Bricks and tiles...pieces	1,121,941	31,819	4,791,951	154,795
Building materials		44,718		97,951
Buttons, brass and fancy...gross	183,990	41,026	244,034	92,530
Candle-making materials		56,654		403,953
Candles:				
Foreign...tons	327	61,004	428	117,798
Native...do	841	178,839	178	57,277
Canvas and cotton duck...yards	97,959	19,473	154,964	34,774
Carpet and carpeting		12,035		14,577
Cement...tons	17,592	240,427	18,965	319,181
Chemical products		280,980		523,965
Chinaware, coarse and fine		90,288		158,177
Cigarettes:				
Foreign		1,996,273		3,063,412
Native...tons	1,003	840,946	951	1,309,711
Cigars		84,072		24,360
Clocks and watches...pieces	11,765	17,572	17,455	30,267
Clothing:				
Cotton, native...tons	1,161	48,207	111	48,890
Hats, etc		315,661		439,262
Confectionery		26,762		52,648
Cordage...tons	586	125,498	755	184,509
Cotton, manufactures of:				
Blankets...number	65,564	380,147	119,443	86,003
Handkerchiefs, Japanese...dozen	87,813	32,603	95,615	40,026
Piece goods—				
Cotton prints...pieces	4,251	11,923	73,568	230,478
Cotton cloth—				
Japanese...yards	872,451	43,550	6,824,608	581,564
Imitation, native (machine-made) gray or dyed, Japanese		562,631		896,345
Striped, native...pieces	58,991	109,772	244,059	547,669
Drills—				
Dyed...do	8,018	30,550	37,055	200,320
Gray—				
Foreign...do	20,352	56,196	30,415	147,642
Native...do	5,597	21,325	4,268	17,413
Flannel...do	13,567	43,981	49,022	221,714
Italians, venetians, poplins, and lastings—				
Figured...do	12,057	86,723	21,809	183,620
Plain, colored...do	26,709	153,795	54,368	403,295
Plain, fast black...do	12,962	64,161	23,400	162,242
Jeans—				
English...do	7,881	23,220	14,150	47,575
Japanese...do	94,796	221,675	87,266	285,254
Lawns, cambrics and muslins, white, dyed, and printed...pieces	5,181	11,682	9,202	30,869
Nankeens, native...tons	848	533,583	569	391,848
Sheetings, gray, plain—				
American...pieces	3,416	12,053	4,185	17,075
English...do	4,170	14,080	2,710	11,847
Japanese...do	49,474	155,709	85,720	331,786
Native...do	14,292	59,901	13,577	48,470
Sheetings and shirtings, dyed, plain...do	9,075	56,420	18,630	91,212
Shirtings—				
Gray, plain—				
Foreign...do	33,991	102,279	48,676	198,993
Native...do	359	1,339	3,770	16,920
White...do	69,738	230,829	98,084	477,602

Articles.	1916		1917	
	Quantity.	Value.	Quantity.	Value.
Cotton, manufactures of—Continued.				
T cloth ..... pieces..	6,831	$11,524	16,662	$38,482
Turkey reds and dyed T cloths ..... do....	9,822	21,150	12,844	36,683
Velvets and velveteens ..... yards..	203,092	43,863	207,649	68,025
Thread—				
Balls ..... tons..	8	8,150	33	41,595
Spools ..... gross..	46,576	77,158	56,831	220,288
Towels ..... dozens..	68,935	37,193	86,258	62,495
Yarn—				
Foreign ..... tons..	965	305,799	1,390	683,177
Native ..... do....	27	9,532	97	44,339
Covers, bed and table	.....	26,652	.....	50,594
Dyes:				
Aniline	.....	28,175	.....	200,478
Other ..... tons..	336	114,427	560	344,354
Electrical materials	.....	357,334	.....	456,244
Enameled ware	.....	43,550	.....	85,030
Explosives	.....	52,927	.....	16,777
Fish, dried and salt ..... tons..	2,079	110,643	2,503	168,143
Furniture	.....	95,153	.....	207,133
Gasoline, benzine, naphtha, etc ..... gallons..	11,777	5,170	24,327	16,625
Glass, window ..... boxes..	5,288	35,122	17,310	141,274
Glass and glassware	.....	21,392	.....	33,645
Gloves ..... dozens..	40,416	22,201	70,372	54,538
Haberdashery	.....	66,654	.....	145,126
Hosiery ..... dozens..	96,207	86,571	134,515	171,154
Instruments and apparatus, scientific (including medical, optical, and surgical	.....	17,484	.....	25,683
Lamps and lampware	.....	22,498	.....	22,920
Leather ..... tons..	997	959,297	1,810	2,455,320
Leather, manufactures of (not including boots, shoes, and gloves)	.....	43,061	.....	49,258
Looking-glasses and mirrors	.....	22,689	.....	48,626
Machinery and parts	.....	452,707	.....	1,282,848
Machines, embroidering, knitting, and sewing	.....	15,648	.....	42,516
Matches ..... gross..	1,893,165	543,296	912,763	291,428
Match-making materials	.....	31,868	.....	46,523
Medicines	.....	213,685	.....	181,163
Metals:				
Brass and yellow metals—Bars, sheets, etc ... tons..	75	51,927	22	15,922
Copper ..... do....	82	43,195	80	59,599
Iron and mild steel, new—				
Angles, channels, joints, and ties ..... do....	1,460	122,461	593	57,088
Bars ..... do....	1,249	88,444	2,060	198,544
Bolts, nuts, and washers ..... do....	614	80,908	339	67,440
Fish plates and spikes for railway ..... do....	622	61,831	849	103,885
Nails, wire ..... do....	1,745	179,930	3,695	440,938
Pig ..... do....	128	4,436	324	19,837
Pipes and tubes ..... do....	2,799	243,389	4,597	671,435
Rails ..... do....	6,590	343,864	10,928	835,967
Sheets and plates ..... do....	1,023	76,266	993	127,671
Iron and mild steel, old ..... do....	2,274	70,632	3,837	187,843
Iron and steel manufactures ..... do....	887	167,744	1,892	255,308
Iron, galvanized—				
Sheets ..... do....	496	80,049	517	118,743
Wire ..... do....	409	50,767	518	87,146
Lead pipes ..... do....	110	21,261	121	26,793
Steel wire rope (cast and wire) ..... do....	110	27,146	124	45,597
Tin plates, plain ..... do....	1,004	162,208	181	49,958
Milk, condensed, in tins ..... dozens..	13,916	23,053	14,613	26,829
Mushrooms ..... tons..	38	23,772	20	16,049
Musical instruments	.....	6,925	.....	12,186
Oil:				
Engine ..... gallons..	484,046	155,105	590,528	218,456
Kerosene—				
American ..... do....	3,928,885	813,574	5,462,817	1,597,888
Japanese ..... do....	571,515	142,016	923,884	273,285
Vegetable ..... tons..	31,148	634,720	22,444	403,718
Paints and paint oil ..... do....	495	56,242	1,219	171,979
Paper	.....	338,740	.....	451,642
Peanuts:				
Foreign ..... tons..	2,397	74,463	1,192	46,573
Native ..... do....	355	16,300	31	1,677
Pepper, black and white ..... do....	441	120,561	881	323,528
Perfumery and cosmetics	.....	53,636	.....	73,511
Photographic materials	.....	25,958	.....	35,230
Printing and lithographic materials	.....	8,993	.....	26,900
Railway materials, n. e. s	.....	226,156	.....	239,438
Shoes and boots:				
Foreign ..... pairs..	38,927	57,635	462,388	1,190,378
Native ..... do....	180,983	117,149	209,693	278,844

Articles.	1916		1917	
	Quantity.	Value.	Quantity.	Value.
Silk piece goods:				
Foreign—				
Silk ..... pounds..	2,401	$12,246	2,516	$19,825
Silk mixtures ..... do....	25,800	52,891	29,215	80,458
Native—				
Pongees ..... do....	5,067	12,590	5,333	15,300
Other ..... do....	103,867	451,672	160,800	1,151,392
Skins, fur ..... number..	111,451	15,776	85,550	28,388
Soap	.....	124,721	.....	193,300
Soda ..... tons..	438	30,655	1,123	90,663
Soy ..... do....	627	38,980	646	49,419
Spirits of wine ..... gallons..	58,734	21,406	17,424	8,175
Spirits, wines, etc.:				
Beer and porter	.....	38,898	.....	69,570
Sake	.....	110,669	.....	105,361
Spirits (brandy, whisky, etc.)	.....	64,783	.....	80,069
Wines	.....	92,685	.....	100,511
Stationery	.....	104,483	.....	169,005
Stores, household	.....	292,173	.....	2,995,412
Stoves and grates	.....	29,662	.....	26,720
Sugar:				
Brown ..... tons..	1,004	57,396	561	36,921
Candy ..... do....	397	44,393	562	88,360
Refined and white ..... do....	6,484	512,359	23,799	2,295,842
Tallow, animal ..... do....	.....	.....	3,069	610,358
Tea:				
Foreign ..... do....	356	78,108	392	73,308
Native ..... do....	337	183,808	481	234,157
Telegraph and telephone materials	.....	37,176	.....	36,926
Ties, railway sleepers ..... do....	.....	151,978	.....	233,813
Timber:				
Hardwood ..... cubic feet..	18,904	6,419	49,473	35,460
Softwood ..... square feet..	1,550,019	38,516	2,561,010	104,490
Tobacco:				
Leaf—				
Foreign ..... tons..	209	46,811	936	171,935
Native ..... do....	748	60,376	925	137,711
Prepared—				
Foreign ..... do....	4	4,262	105	101,595
Native ..... do....	264	81,964	126	57,742
Toilet requisites	.....	66,640	.....	83,413
Tools, hand	.....	54,120	.....	133,955
Toys	.....	17,678	.....	41,691
Vehicles	.....	79,443	.....	181,905
Waters, table	.....	14,899	.....	16,561
Wax, paraffin ..... tons..	3,785	470,267	3,633	650,319
Woodenware	.....	11,535	.....	27,751
Wool, manufactures of:				
Blankets ..... pounds..	6,357	4,107	1,899	1,879
Long ells ..... pieces..	1,189	8,165	1,552	17,413
Mixtures (union and poncho cloth) ..... yards..	67,451	44,696	125,770	96,215
Woolen and worsted yarn and cords ..... tons..	18	33,173	34	85,264
All other articles	.....	5,322,848	.....	7,383,394
Total	.....	27,377,853	.....	51,477,982

Details of Export Trade.

The outstanding features of the exports in 1917 was the great business in soya-bean oil done with America. It is felt, however, by many exporters, millers, and others, that the American demand is only a war feature and that the trade will not continue. Certainly, compared with cottonseed oil, soya-bean oil is a low-grade fat and would have only comparatively limited uses in America in ordinary times. But, on the other hand, the tremendous growth of industry in America is sure to bring about changes that will result advantageously for the crushers here, and undoubtedly the soya-bean oil has come to America as a permanent import. The increased oil trade was responsible for tremendous activities on the part of the mills in Dairen, and brought prosperity where otherwise a stagnant condition would have obtained.

There were also notable increases in beans and bean cake, wheat, salt, raw wild silk, cocoons and wool, while cement, coal, copper,

olein, and waste silk showed decreases, and ammonium sulphate appeared as a new export. The following were the principal articles exported from Dairen during 1916 and 1917 to foreign countries and Chinese ports:

Articles.	1916		1917	
	Tons.	Value.	Tons.	Value.
Bean cake:				
To foreign countries	557,407	$17,313,746	737,074	$17,163,955
To Chinese ports	110,971	3,446,892	130,728	3,944,212
Bean meal	24,685	214,969	27,037	806,661
Beans:				
To foreign countries	139,211	4,332,887	148,499	5,202,059
To Chinese ports	53,062	1,647,995	72,598	2,518,486
Bones, animal	5,218	76,108	2,662	46,880
Breadstuffs:				
Bran	5,933	81,091	7,025	107,479
Corn—				
To foreign countries	1,873	34,903	1,336	50,085
To Chinese ports	4,930	91,887	17,746	665,199
Flour, wheat, to Chinese ports	1,619	75,916	7,779	541,055
Kaoliang—				
To foreign countries	7,156	133,374	1,731	84,487
To Chinese ports	16,499	307,496	82,734	1,873,424
Millet—				
To foreign countries	63	1,951	1,187	38,979
To Chinese ports	486	15,098	3,838	126.071
Wheat	3,322	103,190	11,927	431,030
Bristles	113	106,611	132	150,274
Cement:				
To foreign countries	980	10,958	569	8,706
To Chinese ports	11,151	124,691	7,621	116,607
Coal:				
To foreign countries	568,964	1,885,092	489,614	1,997,625
To Chinese ports	257,026	851,579	230,878	942,126
Fertilizers:				
Sulphate of ammonia	.....	.....	5,608	503,408
Other	.....	177,744	.....	28,419
Hair, animal:				
To foreign countries	[a] 116,000	16,949	[a] 43,867	11,265
To Chinese ports	[a] 754,533	160,351	[a] 517,200	146,799
Hempseed	10,893	297,737	10,522	354,180
Hides, horse, ass, and mule:				
To foreign countries	524	130,202	206	63,109
To Chinese ports	85	22,007	17	5,258
Melon seed:				
To foreign countries	701	43,522	755	81,251
To Chinese ports	1,364	84,739	1,501	161,521
Metals:				
Copper	736	186,010	151	48,048
Iron—				
Old	2,887	67,967	3,788	149,866
Pig	34,029	1,479,768	34,031	1,822,350
Lead, old	802	58,408	215	25,594
Oil:				
Bean—				
To foreign countries	77,761	6,763,026	112,161	16,451,930
To Chinese ports	610	53,035	1,197	175,627
Castor	275	51,177	1,169	169,924
Olein	1,120	90,413	97	12,167
Peanuts	1,573	68,029	1,869	63,464
Perilla	5,920	294,212	4,746	290,439
Salt	76,651	476,173	103,467	474,913
Sesame	4,909	304,989	1,541	101,400
Silk:				
Raw, wild—				
To foreign countries	[a] 120,533	149,757	[a] 101,200	219,280
To Chinese ports	[a] 725,067	900,859	[a] 1,193,867	2,466,270
Raw, waste, to Chinese ports	[a] 925,069	173,396	[a] 775,200	183,839
Cocoons, wild, to Chinese ports	[a] 4,079,600	521,638	[a] 10,931,290	1,066,594
Tobacco and manufactures:				
Leaf tobacco, to Chinese ports	698	86,773	1,704	234,604
Cigarettes—				
To foreign countries	20	21,842	7	10,282
To Chinese ports	283	328,156	213	293,301
Wool, sheep's	[a] 571,690	99,426	[a] 2,190,667	553,024
All other articles	.....	1,350,102	.....	2,347,128
Total exports	.....	45,314,841	.....	64,450,954

[a] Pounds.

Good Harvests Reflected in Exports.

The fine harvests obtained are evidenced by the exports of cereals, not only abroad but to Chinese ports, and the exports of wild silk were exceptionally good. In 1917 this condition was especially beneficial to the trade of Dairen, as its plethora of goods was needed to supply the deficiencies of South China in foodstuffs, of Japan in salt, etc. Exports of coal were not as great as might have been expected; but this was partially due to the decreased output of the Fushun mines, consequent upon the closing of one pit temporarily as the result of a disastrous explosion, and to the increased consumption in Manchuria, due to the growth of industry there. Increased consumption in Manchuria also caused a decrease in the exports of cement.

The exports of wool are well worthy of notice, indicating as they do the greater attention being paid to the potentialities of Mongolia in this article of commerce. Japan will almost certainly endeavor to cultivate the wool industry in Mongolia as an independent source of supply for the needs of its military establishment. Indeed, efforts in that direction are already being made.

Declared Exports to the United States.

Soya-bean oil was the principal item exported from Dairen to the United States during 1917. Exports of this commodity as well as those of soya beans show noted increases over the preceding year. The quantity and value of the principal articles invoiced at the American consulate at Dairen for export to the United States during 1916 and 1917 were as follows:

Articles.	1916		1917	
	Quantity.	Value.	Quantity.	Value.
Albumen.....pounds..	51,000	$28,197	.....	.....
Ammonia, sulphate of.....do....	.....	.....	11,200	$629
Bean cake, soya.....do....	1,000,000	13,958	2,240,000	31,763
Beans:				
Red.....bushels[a]..	3,439	5,778	.....	.....
Soya.....pounds..	.....	.....	34,011,520	1,024,460
Furs, assorted.....pieces..	.....	.....	243,327	128,171
Horsehair (tails).....pounds..	.....	.....	31,834	23,123
Kaoliang.....do....	4,869,935	79,863	2,000,000	31,231
Oils:				
Castor.....do....	.....	.....	442,500	66,556
Peanut.....do....	.....	.....	46,200	6,886
Soya bean.....do....	44,966,930	3,057,370	198,534,623	19,740,640
Peanuts.....do....	33,600	1,545	50,000	3,527
Seeds:				
Castor.....bushels[b]..	.....	.....	51,368	126,892
Linseed.....do....	23,011	30,826	.....	.....
Walnuts.....pounds..	100,000	7,228	.....	.....
All other.....	.....	131	.....	5,313
Total.....	.....	3,224,896	.....	21,189,191

[a] Bushels of 60 pounds. [b] Bushels of 50 pounds for castor seed and 56 pounds for linseed.

Export from Dairen to the Philippine Islands were made up entirely of coal, amounting to 41,640 tons, valued at $198,989, in 1916 and 48,910 tons, valued at $239,778 in 1917. No shipments were invoiced for Hawaii or Porto Rico during these years.

Shipping at Dairen.

Japanese vessels predominate in the shipping trade of Dairen, forming 83 per cent of the total tonnage entering and clearing from that port in 1917, as shown in the following statement:

Nationalities.	Entered.		Cleared.		Total.	
	Number.	Tons.	Number.	Tons.	Number.	Tons.
STEAMERS.						
American	3	4,822	3	4,822	6	9,644
British	99	113,289	99	113,294	198	226,583
Danish	4	12,062	4	12,062	8	24,124
Dutch	12	37,962	12	37,962	24	75,924
Japanese	1,320	1,438,728	1,336	1,449,017	2,656	2,887,745
Norwegian	7	21,614	7	21,614	14	43,228
Russian	11	11,328	11	11,328	22	22,656
Chinese	233	100,090	233	100,452	466	200,542
Total	1,689	1,739,895	1,705	1,750,551	3,394	3,490,446
SAILING VESSELS.						
Japanese	277	7,366	256	6,905	533	14,271
Chinese	3	600	3	600	6	1,200
Total	280	7,966	259	7,505	539	15,471
Grand total	1,969	1,747,861	1,964	1,758,056	3,933	3,505,917

NANKING.

By Vice Consul Samuel Sokobin.

The Nanking consular district, which includes the three important treaty ports, Nanking, Chinkiang, and Wuhu, has an estimated population of 57,000,000. Just as was the case in other consular districts in China, the conditions during 1917 were unfavorable for good business. A shortage of ocean shipping, the high freight rates, and the general adverse political conditions all had a bad effect on trade. Not only did the total trade of the district show decreasing returns, but the trade of each of the ports named above showed decreases.

Nanking is an agricultural district, but at Wuhu, the chief export center of rice, only 100,272 tons of rice were exported in 1917 as compared with 199,450 tons in 1916; at Nanking, exports of beans in 1917 were 2,968 tons compared to 6,902 tons in 1916; only about 1,000,000 fresh eggs were exported compared with more than 18,000,000 in 1916, and there was a decided decrease in the shipments of frozen beef; and at Chinkiang the value of Chinese products exported likewise decreased by more than $1,530,000.

Summary of Trade.

The net value of the trade of the Nanking consular district was $61,563,517 in terms of United States currency, an increase of $3,614,049; but in terms of the currency used in the Chinese customs returns the trade fell off by 9,605,098 haikwan taels. In 1916 the haikwan tael was valued at $0.8283 and in 1917 at $1.02 United States currency.

The year 1917 was the first since 1913 in which the volume of trade did not show an upward trend. Imports from foreign countries

showed a decrease of 1,293,696 haikwan taels, exports declined by 8,339,775 taels, while the imports from Chinese ports increased by 48,373 taels.

The following table shows the gross and net values of the trade of the Nanking consular district during 1916 and 1917:

Imports and exports.	1916	1917
Imports of foreign goods:		
From foreign countries and Hongkong	$5,201,732	$7,923,718
From Chinese ports	19,778,735	22,244,039
Total foreign imports	24,980,467	30,167,757
Reexports of foreign goods:		
To foreign countries and Hongkong	37,294	.....
To Chinese ports (chiefly Shanghai and Hankow)	866,610	1,858,933
Total foreign reexports	903,904	1,858,933
Total net foreign imports	24,076,563	28,308,824
Imports of Chinese products (chiefly from Shanghai, Hankow, and Swatow)	12,485,835	15,969,938
Reexports of Chinese products:		
To foreign countries and Hongkong	603,814	1,232,538
To Chinese ports	159,823	252,901
Total Chinese reexports	763,637	1,485,439
Total net Chinese imports	11,722,198	14,484,499
Exports of Chinese products of local origin:		
To foreign countries and Hongkong	2,471,717	2,826,033
To Chinese ports	19,678,620	15,944,161
Total exports of local origin	22,150,337	18,770,194
Gross value of the trade of the port	59,616,639	64,907,889
Net value of the trade of the port	57,949,098	61,563,517

Agricultural Conditions.

The principal crops of the Nanking consular district are rice, beans, bean cake, and seeds of various kinds. The rice crop, particularly at Wuhu, was abundant, but the total amount exported was the smallest on record since 1898. The rice trade fluctuates greatly, good results being dependent on the demand at Swatow and Canton and on the successful competition against rice from Indo-China. Because of the war, the scarcity of shipping to Europe resulted in the entry in the China market of rice from Indo-China, where good harvests have been obtained for several years. As a result of the low prices of this product, the Canton market was monopolized by the Indo-China rice dealers. Because of a good harvest at Swatow the demand for rice from this district fell considerably. The average price at Wuhu for first-class rice was $2.40 per picul (133⅓ pounds). The wheat harvest was unsatisfactory; and the egg market suffered considerably because of the small demand on the part of the International Export Co. in Nanking, which was forced by scarcity of freight space to reduce shipments to Europe. This was also true of the frozen beef and game trade which is handled by the same company.

Industrial Progress.

One of the important features of the industrial progress in the district is the development of iron-ore mines at places on the Yangtze

River. Japanese companies are the operators; light railways have been constructed, and also very large wharves. The ore is all shipped to Japan. The places are accessible at all times of the year to large ships. One mine is about 30 miles above Wuhu, and the other at Tsaishiki, about 15 miles from Wuhu. This company is reported to have mined 80,000 tons of ore. In this connection it is interesting to note that a Japanese company transported 85,390 tons of iron ore from the Tayeh mines near Hankow to their depot at Wuhu for eventual shipment to the Yawata Ironworks at Moji, Japan. The iron ore is stored at Wuhu, as the larger ships are not always able to call at Hankow because of low water.

No railway construction took place in the district. The roadbed for the Pu-Sin Railroad from Wuhu, about 30 miles from Nanking, to Sinyangchow is completed, and buildings for stations have been erected, but no rails have been laid.

Complete specifications were drawn up in 1917 for a very modern telephone system, but bids have not yet been invited. Both the electric light and the telephone systems are greatly in need of improvements. No increase was made during the year in public utilities.

Foreign Imports—Cotton Goods.

All classes of foreign cotton goods showed a decrease in the year 1917 in the number of pieces imported. In Nanking American gray shirtings, gray sheetings, and drills fared badly. All the English cotton piece goods showed reduced totals, and Japanese cotton piece goods showed an increase only in drills. Shipping difficulties were the cause of the decline in the piece-goods trade and the competition of native goods also was an important factor. Conditions with regard to piece goods were the same in all three ports—Nanking, Wuhu, and Chinkiang. Shirtings decreased in quantity by 175,562 pieces, or 27 per cent, and cotton venetians, italians, and lastings by 39,994 pieces, or 21 per cent. Cotton yarn decreased by 5,096 tons, or about 34 per cent. In 1917, 15 per cent of the cotton yarn imported was Japanese and the remainder Indian, whereas in 1916 the proportion was 29 per cent Japanese and 71 per cent Indian.

There was a decrease in the amount of foreign metals imported; nails and steel bars increased slightly. Tin plates showed an increase of 434 tons, or about 18 per cent. The total value of the metal imports for 1917 was $972,471, a comparatively small amount for a district of this size. Imports of dyes increased from $68,896 in 1916 to $107,199; the value of the aniline dyes more than trebled that of 1916. The amount of plate glass imported shows a marked decrease—from 92,209 square feet in 1916 to 1,709 square feet in 1917—as little construction was carried on in the latter year. The Japanese are controlling the glass market at present.

Matches also showed a decrease, 466,202 more gross being imported in 1916 than in 1917. The cigarettes imported were valued at $2,440,135 in 1916 and $3,107,167 in 1917, an increase of $667,032. Imports of kerosene oil increased in value by $788,461, amounting to $2,249,094 in 1916 and $3,037,555 in 1917. There were large increases in the quantities of Borneo, Sumatra, and Persian oil, whereas American oil decreased in quantity by 1,342,724 gallons, owing to the fact that there were huge stocks left over from 1916 and because of shipping difficulties.

Sugar is one of the principal imports of the district. Imports of brown, white, and refined sugar increased by 2,186 tons in 1917, and there was an increase of $1,636,255 in the value. The biggest increase occurred in refined sugar. Sugar from the Hongkong refineries forms the largest part of these imports.

Statistics of Imports.

The following table shows the principal imports into Nanking, Chinkiang, and Wuhu of foreign goods through the Maritime Customs for 1916 and 1917:

Articles.	1916		1917	
	Quantity.	Value.	Quantity.	Value.
Aniseed star.....tons..	69	$19,047	53	$15,816
Bags.....pieces..	2,519,075	171,165	1,809,585	243,660
Bêche de mer.....tons..	133	75,374	109	75,338
Birds' nests.....do....	1	15,374	1	13,562
Boxes, fancy.....gross..	4,755	6,509	2,702	5,678
Candles.....tons..	420	87,815	1,881	151,607
Cement.....do....	659	10,084	.....	.....
Cigarettes.....thousands..	726,533	2,440,135	753,924	3,107,167
Clothing.....	.....	32,904	.....	45,468
Clocks and watches.....pieces..	2,830	4,098	3,479	6,025
Coal.....tons..	78,162	436,295	31,984	326,232
Cotton, manufactures of:				
Cambrics, lawns, and muslins.....pieces..	16,035	52,881	12,507	57,060
Chintzes and prints.....do....	36,036	96,566	32,413	106,152
Drills.....do....	56,391	184,627	49,249	221,664
Flannelettes.....do....	22,167	65,657	23,358	95,065
Handkerchiefs.....dozen..	71,892	19,775	70,481	25,915
Italians, venetians, and lastings, plain, black, colored, and figured.....pieces..	195,257	880,486	155,263	933,983
Jeans.....do....	156,096	481,393	126,770	518,357
Nankeens.....tons..	212	155,353	198	101,958
Poplins, figured.....pieces..	18,655	138,288	12,020	118,244
Sheetings—				
Gray, plain.....do....	79,826	240,600	36,840	133,901
Other.....do....	71,178	393,854	72,113	299,073
Shirtings—				
Gray.....do....	355,505	1,047,009	242,130	938,480
White.....do....	308,745	1,000,935	246,322	1,080,996
Other.....do....	5,790	14,894	910	3,105
Spanish stripes.....do....	605	3,122	660	3,952
T-cloths.....do....	41,597	79,381	40,358	104,637
Thread, on spools.....gross..	4,663	13,166	2,109	4,059
Towels.....dozen..	6,062	15,815	8,038	5,635
Turkey reds.....pieces..	55,072	125,384	41,677	127,433
Velvets and velveteens.....yards..	99,218	21,737	65,294	12,041
Yarn.....tons..	19,664	6,971,443	14,020	6,773,543
Other.....yards..	15,317	2,463	59,667	13,315
Dyes, colors, and paints:				
Aniline.....	.....	13,654	.....	42,986
Indigo, liquid, and artificial.....tons..	21	41,318	17	50,572
Sapan wood.....do....	529	13,894	232	13,641
Fans, palm-leaf.....pieces..	12,317,124	88,441	12,202,140	125,088
Ginsong.....	.....	17,675	.....	21,436
Glass:				
Plate.....square feet..	92,209	114,565	1,709	2,615
Window.....boxes..	3,360	22,536	5,725	37,677
Haberdashery.....	.....	15,691	.....	29,379
Hosiery.....dozen..	103,481	36,834	74,034	54,422
Lamp and lampware.....	.....	30,564	.....	36,689
Longans.....tons..	206	29,975	207	38,071
Matches.....gross..	1,501,282	433,144	1,035,980	370,980
Medicine.....	.....	54,024	.....	83,901
Metals and minerals:				
Copper.....tons..	28	14,314	25	23,000
Iron and mild steel—				
New.....do....	2,872	283,760	2,792	304,022
Old.....do....	928	31,945	937	49,104
Iron, galvanized.....do....	424	57,822	339	59,167
Steel.....do....	62	2,995	167	23,616
Lead, in pigs and bars.....do....	94	17,432	108	20,894
Tin—				
Plates.....do....	2,445	310,134	2,579	462,641
Slabs.....do....	30	20,195	29	30,027
Needles.....thousands..	42,773	21,440	81,202	75,692

Articles.	1916		1917	
	Quantity.	Value.	Quantity.	Value.
Oil, kerosene:				
American.....gallons..	9,150,341	$1,635,129	9,645,016	$2,057,560
Borneo.....do....	932,772	115,088	1,787,341	273,365
Persian.....do....	.....	.....	219,150	64,508
Sumatra.....do....	3,929,335	498,286	4,862,911	642,022
Paper.....tons..	722	92,650	464	91,584
Pepper, black and white.....do....	302	92,783	303	106,165
Sandalwood.....do....	2,996	260,346	1,793	265,051
Seaweed and agar-agar.....do....	2,374	96,067	2,079	104,738
Soap:				
Bar.....do....	358	49,858	542	93,798
Other.....	.....	66,171	.....	165,768
Soda.....tons..	1,390	79,875	1,281	73,711
Stone.....	.....	.....	.....	12,554
Sugar:				
Brown.....tons..	18,951	1,213,059	17,644	1,248,743
White.....do....	13,092	3,089,510	9,235	4,690,081
Refined.....do....	13,084		20,434	
Candy.....do....	1,004	125,741	1,320	232,286
Timber:				
Hardwood.....cubic feet..	10,782	3,631	3,276	1,421
Softwood.....square feet..	1,258,972	32,370	378,556	16,603
Umbrellas.....pieces..	164,421	69,579	154,751	76,572
Total.....	.....	24,497,915	.....	27,913,021

Exports from the District.

The principal export from the Nanking consular district is rice, which is shipped from Wuhu only. In 1916, 199,450 tons of rice were exported, whereas in 1917 the rice exports fell to 100,272 tons. Another important export which showed a decrease was egg products. The export of frozen eggs to foreign countries (chiefly England) fell from 3,309 tons in 1916 to 1,064 tons in 1917, while fresh and preserved eggs decreased from 23,483,739 to 6,636,608. There was a decrease also in the amount of meats, frozen and fresh, exported, due to the lack of shipping space. Nanking may one day be a very large stock center, because of its proximity to the great cattle Provinces of Shantung and Anhwei.

Another big decrease was shown in the seed exports, the principal seed, sesame, showing an export of 2,884 tons in 1917 as against 10,009 tons in 1916. Rape seed, however, showed a big increase from 2,672 tons in 1916 to 9,064 tons in 1917. The bean trade suffered severely, only 5,147 tons being exported in 1917 as against 11,771 tons in 1916.

The following table shows the quantity and value of the principal articles exported from the Nanking consular district during 1916 and 1917:

Articles.	1916		1917	
	Tons.	Value.	Tons.	Value.
Alum, white.....	3,140	$202,152	1,014	$58,865
Bean cake.....	3,054	65,451	1,261	33,943
Beans.....	11,771	455,915	5,147	288,404
Books, printed.....	6	5,816	1	1,143
Bran.....	835	15,287	597	11,721
Cereals:				
Rice.....	199,450	8,186,423	100,272	4,499,339
Wheat.....	216	8,495	6,793	314,300
Coal.....	265	1,800	456	4,519

Articles.	1916		1917	
	Tons.	Value.	Tons.	Value.
Cotton goods:				
Nankeens	2	$1,956	6	$5,393
Cloth, native, fancy	a 992	1,568	a 5,054	6,403
Dates, black and red	1,241	107,780	3,077	339,143
Eggs and egg products:				
Albumen and yolk	774	258,474	365	167,358
Fresh and preserved	a 23,483,739	145,571	a 6,636,608	64,977
Mixed, frozen	3,309	442,100	1,064	222,086
Fans	a 561,891	35,114	a 1,072,490	57,286
Feathers	1,180	216,285	1,255	287,862
Fibers, hemp	641	105,224	541	96,023
Fish, fresh	232	18,725	149	15,751
Flour	18,116	914,692	11,839	917,475
Hair, animal	26	2,124	17	1,675
Hams	214	64,564	231	79,373
Hides, cow and buffalo	1,234	583,731	534	348,335
Lard	2	258	1,309	430,040
Lily flowers, dried	2,631	467,581	2,337	420,131
Meats, fresh or frozen:				
Beef, frozen	6,437		5,210	
Poultry and game	a 866	1,040,360	a 767	1,341,598
Other	1,299		1,668	
Medicines		110,692		147,608
Metals and minerals	4	1,182	11,417	41,361
Nuts:				
Groundnuts—				
In shells	1,615	68,336	847	51,023
Kernels	26,873	1,676,034	74,837	430,812
White			5	417
Oil:				
Groundnut	1,622	245,675	647	138,526
Sesame	1,085	163,843	325	75,504
Paper:				
Joss	50	6,573	26	4,139
Other	260	129,368	268	177,226
Pottery and earthenware	105	6,024	81	3,840
Seeds:				
Melon	947	99,843	711	115,762
Rape	2,672	143,851	9,064	631,454
Sesame	19,009	707,261	2,884	281,368
Senna	441	14,334	637	3,123
Seed cake	1,188	24,398	3,670	97,775
Silk, and manufactures of:				
Raw	78	480,138	71	691,222
Cocoons	254	459,483	348	514,141
Waste	36	22,687	16	13,337
Piece goods	217	2,219,251	217	2,763,610
Skins, goat, untanned	a 120,713	61,062	a 173,512	98,873
Tallow:				
Animal	630	103,423	38	10,369
Vegetable	8	1,391	6	1,223
Tea:				
Green	22	10,894	28	17,423
Leaf, unfired	16	4,699	1	271
Tobacco, leaf	91	15,291	30	5,304
Turnips, salted	381	47,783	458	70,597
Total		20,174,465		16,402,579

a Pieces.

Declared Exports to United States.

The total value of direct exports in 1917 from Nanking to the United States shows a slight increase over 1916. The increase in hides and curios was normal. The latter, though a negligible quantity at present, will probably increase rapidly when the war ends. With the exception of curios, the returns represent a portion of the products shipped to the United States by a large British factory at Nanking—the other portion reached the United States via England. This same company recently sent a $7,500,000 cargo to England via Cape of Good Hope, including a large percentage of foodstuffs.

The principal articles invoiced at the Nanking consulate for the United States during 1916 and 1917 were:

Articles.	1916		1917	
	Quantity.	Value.	Quantity.	Value.
Curios		$1,186		$6,106
Eggs:				
Frozen in tins, pounds	5,773,944	413,369	1,227,136	101,169
Whole, dozen			24,000	3,218
Hides, ox, pounds	30,413	3,890	1,262,624	387,009
All other		1,700		306
Total		420,145		497,808

Business Carried on Through Shanghai.

Both Nanking and Chinkiang are connected with Shanghai, the metropolis of China, by rail. Merchants in Nanking and Chinkiang as well as in Wuhu, which is also on the Yangtze River, but which has no rail connection with Nanking, import their goods from Shanghai through brokers and agents. There are no foreign firms with offices in Nanking other than two oil companies, which have foreign employees in every port of China, and two English shipping companies.

The establishment of firms in Shanghai who will send representatives periodically to Nanking, Wuhu, and Chinkiang, is necessary for an increase of American trade in this district. As it is, firms in Shanghai wait for the purchasers to come to them.

Nanking is the terminus of two important railroads, the Shanghai-Nanking and the Tientsin-Pukow (Pukow is across the river from Nanking). There are also hundreds of canals, and though these are not at all times navigable, the Nanking consular district may be said to have very good communications. One of the great handicaps to direct foreign trade is the lack of foreign banks, shipping against documents being almost impossible. There are no local firms able to correspond in English and the merchants must rely on the Shanghai brokers. It is very probable that frequent visits of representatives of American business houses established in Shanghai will greatly tend to increase the import of American manufactures.

TSINGTAU.

By Consul Willys R. Peck.

The foreign trade of the Leased Territory of Kiaochow in 1917 was only 2 per cent less than in the banner year 1913, though the gold valuation, $58,938,650, was 36 per cent greater, being the largest in the history of the port. Imports of foreign goods in 1917 were less in silver values, as compared with 1913, but the gold valuation, $22,989,150, showed a 20 per cent increase. The silver value of the exports just exceeded that of 1913, and their gold value, $26,226,005, was greater by 40 per cent. Comparison is made with the year 1913 as showing the extent to which the port of Tsingtau has recovered from the effects of the military operations in the autumn of 1914. The increase over 1916 was noticeable in every variety of commercial activity.

Aside from the increase in foreign commerce the most interesting features of the year were the inauguration of a department of civil administration in the army of occupation in October, 1917, and a strong continuation of the industrial development that began in 1916. Under the new department, the railway, with the wharf office and coal mines, the electricity department, the telephone and water services, the gendarmerie, acting in administrative and judicial police capacity, and all other departments in matters not interfering with military measures came directly under civilian control, subject to the commanding general.

In a public address at the time of the installation of the new department the chief civil administrator expressed the hope that Europeans, Americans, Chinese, and Japanese would unite their endeavors in developing the industries and commerce of Tsingtau, promoting their individual interests and the common good of all friendly countries.

Building and Public Improvements—Population.

The building of factories and residences, and municipal work, including the laying out of new streets and sewers, and harbor improvements were carried on with great energy. Among the important public works were the enlargements in the Small Harbor (for junk traffic) and the creation of a magnificent site for a large Shinto temple.

In December the Japanese population of Tsingtau reached 16,680, an increase during the year of 3,804. In the whole of the Leased Territory of Kiaochow (200 square miles) Japanese residents numbered 18,655. The total Japanese population in Shantung Province amounted to 25,104. In the spring of 1914 there were only a few hundred, at most. The Chinese population of Tsingtau was given as 22,484, German and Austrian 333, American and European 154. In 1914 the German civilian population was 2,000. None of the European firms that left Tsingtau at the beginning of the war returned, but a considerable number of Chinese firms resumed operations.

Industries Created During the War.

Since the Japanese occupation of the Leased Territory of Kiaochow, the following enterprises, with an aggregate authorized capital of $3,000,000, not including capital of parent firms, opened branches in Tsingtau: One flour mill, three oil mills, one silk filature, one spinning mill, one ice factory, one rice mill, two tanneries, one match factory, two egg-products factories, one chemical factory, one soap factory, three smelting works (chiefly for the reduction of currency), one salt factory, and one cannery. These factories are located conveniently with respect to shipping.

It is important to note that industrial enterprises in the Leased Territory are assisted by an ordinance of December 2, 1905, under which machinery, implements, and tools required for manufacturing, industrial, and agricultural purposes, are imported free of duty, and by the fact that manufactures are subject to duty only in so far as China is entitled to duty on raw material. The Japanese au-

thorities encourage the establishment of new industries by giving factory sites at little or no cost, and by adopting the general principle on the Shantung Railway that raw materials for factories in Tsingtau shall be given as low freight rates as is consistent with the policy of the company. It is rather remarkable, if these ventures turn out to be profitable as seems likely to be the case, that the Germans with all their creative energy should hardly have equaled in 15 years the achievements of the Japanese in the last 3 years. In one particular, at least, the Japanese are renewing an attempt in which the Germans failed, that is, the silk filature. The present operators claim superior advantage in buying the cocoons, because they can send their own agents into the country at low cost.

Total Trade of Tsingtau.

In the following table showing the trade of Tsingtau for the years 1916 and 1917, figures for 1913 have been included to permit of comparison with pre-war conditions:

Imports and exports.	1913	1916	1917
Imports of foreign goods:			
From foreign countries and Hongkong	$11,299,753	$11,808,815	$18,181,267
From Chinese ports	8,030,414	4,340,936	5,942,646
Total foreign imports	19,321,167	16,149,751	24,123,913
Reexports of foreign goods:			
To foreign countries and Hongkong	26,804	147,418	339,461
To Chinese ports (chiefly to Shanghai, Tientsin, Chefoo, and Dairen)	162,586	350,513	795,302
Total foreign reexports	189,390	497,931	1,134,763
Total net foreign imports	19,131,777	15,651,820	22,989,150
Imports of Chinese products (chiefly from Shanghai, Tientsin, Chefoo, and Dairen)	6,051,061	4,235,827	10,249,149
Reexports of Chinese products:			
To foreign countries and Hongkong	672,467	23,883	237,130
To Chinese ports	75,521	93,665	288,521
Total native reexports	744,988	117,553	525,654
Total net Chinese imports	5,306,073	4,168,274	9,723,495
Exports of Chinese products of local origin:			
To foreign countries and Hongkong	8,788,403	13,523,466	17,000,054
To Chinese ports	9,967,029	5,472,921	9,225,951
Total exports of local origin	18,755,432	18,996,387	26,226,005
Gross value of the trade of the port	44,127,660	39,431,965	60,599,069
Net value of the trade of the port	43,193,282	38,816,481	58,938,659

The rate of exchange used in making conversions from haikwan taels is $0.73 for 1913, $0.8283 for 1916, and $1.02 for 1917. It is evident, therefore, that due allowance must be made in comparisons for the inflation of values by rise in silver exchange, and whenever possible in this report quantities, not values, will be used.

Increases in Shipping.

The tonnage of the steam shipping entering and clearing from Tsingtau in 1917 showed an increase of 35 per cent over the preced-

ing year and that of the sailing vessels 97 per cent, as is shown in the following statement:

Nationality.	Number.		Tonnage.	
	1916	1917	1916	1917
STEAMERS.				
American	8	24	20,080	57,236
Norwegian	2	2	8,834	8,834
Russian	2	16	2,844	21,048
Chinese	12	68	8,574	29,514
British	112	132	136,822	315,318
Japanese	1,163	1,248	1,005,451	1,114,159
Danish	2	.....	6,008	.....
Dutch	.....	8	.....	18,058
French	.....	6	.....	36,292
Total	1,301	1,504	1,188,613	1,600,459
SAILING VESSELS.				
Chinese	6	12	318	186
Japanese	51	91	4,075	8,430
British	.....	2	.....	38
Total	57	105	4,393	8,654
Grand total	1,358	1,609	1,193,006	1,609,113

The American shipping in this table represents principally Army transports calling for fresh beef, and the French and British vessels were chiefly those that called to convey Chinese laborers to France.

The three companies operating subsidized ships to Japanese ports increased freight rates about 25 per cent after September 15, 1917. The principal rates per ton on freight from Tsingtau to Japan in December, 1917, stood as follows: Unclassified, $6.57; lumber, flour, gunny bags, sugar, cotton yarn, cotton cloth, matches, $5.98; Charcoal, old kerosene tins, bricks, etc., $4.98; and inflammable goods, $19.92. The local authorities, with a view to assisting Tsingtau merchants, tried to induce the companies to lower these rates, but the attempt failed. Freight space on all these lines was generally available.

Improvement in Imports.

Foreign imports during 1917 exceeded those of 1916. Trade was somewhat interfered with by shortage of tonnage, but as this concerned trans-Pacific and European lines rather than Far Eastern, Japanese goods were not restricted as much as European and American competing lines. This fact, taken in connection with the many impediments to the export trade in Europe and America arising from the war, enabled Japanese exporters to take more advantage of the exchange favorable to foreign imports than their western rivals were able to do.

Cotton piece goods failed to regain the volume of 1913, but showed a marked increase over 1916, principally in Japanese sheetings, shirtings, drills, and T cloths, and in cambrics and plain prints. A popular seller is a Japanese gray cotton sheeting, which runs 40 yards, 36 inches wide, to the piece, averages 11 pounds in weight, and sells at about $5.48 per piece. Gray sheeting comprised about 40 per cent of Japanese cotton piece goods imported. Out of a total of 257,823 pieces of gray sheeting 8,180 were American; 1,450, English; and the remainder Japanese. In 1913, on the other hand, 82,227 pieces of American sheetings were imported. Shanghai sheet-

ings were imported in 1917 to the extent of 28,760 pieces. The great bulk of the Japanese import came direct from Japan, only 19,200 being received through Shanghai.

Predominance of Japanese Piece Goods.

Japanese T cloths increased 58 per cent over the previous year, and it is interesting to note that the total was 287,690 pieces as opposed to 25,813 in 1913, while English T cloths decreased from 392,992 pieces in 1913 to 89,342 in 1917. The Japanese goods of this description constituted 30 per cent of Japanese cotton piece goods imported. Only 31,327 pieces were imported through Shanghai. In drills and jeans also the Japanese product controlled the market. English jeans in 1913 numbered 131,085 pieces to 570 pieces of Japanese, while in 1917 the position was 79,412 Japanese to 11,858 English. Of the English jeans 6,060 pieces, or more than half, came through Shanghai. Of the Japanese jeans 24,350 pieces came over this route, and of Japanese drills one-fourth of the total. Imports of Shanghai drills amounted to 1,670 pieces, almost equaling the British product. Japanese white shirtings increased five times over 1916 and amounted to one-third of the total imports.

There is no doubt that the war accounts for much of the success of Japanese piece goods in replacing similar goods from other countries, but at the same time they seem to possess a great advantage in that ready stocks can be carried locally, which allows firms to demand cash, while European and American goods must be indented or purchased through Shanghai brokers. The latter method is the one usually followed. The Chinese dealers are quick to take advantage of the immediate delivery and low price of the Japanese goods, even if no credit is given and in spite of the fact that popular belief seems to credit European and American goods with a higher quality than Japanese.

The decline in the imports of cotton goods is explained partially by the political disturbances of the last few years, natural disasters, etc., which decreased native purchasing power. Leading importers here expect a very marked improvement in 1918, due to excellent crops in this region. In the middle of the year extremely high prices for cotton goods and cotton yarn in Japan resulted in the reexportation of these articles to that country in considerable quantities.

Decrease in Sales of Cotton Yarn—Imports of Candles.

Foreign cotton yarn imports fell off 20 per cent from 1916 and were 28 per cent lower than in 1913. Shanghai yarn came in to the extent of 11,563,552 pounds, about three times the size of the same imports in 1916, twice the amount of Indian yarn brought in in 1917, and about half as much as the Japanese product, being equal to 43 per cent of the foreign yarn imported. It appears that the Shanghai yarn is becoming a strong competitor of the Japanese output. As compared with the preceding year Indian yarn increased 43 per cent and Japanese decreased 28 per cent.

About 65 per cent of all the yarn sold in this port is 16s and about 20 per cent is 20s, the remainder is made up of 12s, 30s, and 42s. Prices fluctuated constantly.

Imports of candles more than doubled in 1917, and, in respect to both foreign and Chinese manufacture, reached the highest point in five years, the former amounting to 387,961 pounds and the latter

226,499 pounds. Two American and one British firm compete for this business, and the reason for its increase is probably to be found in the great rise in the price of kerosene and of the vegetable oils formerly burned by the Chinese. Cheap candlesticks retailing for a few cents each are used in connection with foreign style candles, but, so far as known, this medium has not been as extensively used to popularize the use of candles as cheap but efficient lamps have been in pushing sales of kerosene. The need for special candlesticks arises from the fact that old-style Chinese candles have a hole in the center, by means of which they are impaled on a pin, instead of being inserted in a socket. At least one of the foreign firms mentioned manufactures candles provided with a hole in the center.

Increase in Cigarette Imports.

After allowance is made for 23 per cent increase in the value of silver prices there is still evident an increase of 23 per cent in the value of cigarettes imported in 1917 over 1916. It was thought two years ago that the goods of the Japanese tobacco monopoly would make a strong bid for this market, but imports of their goods have decreased from 37,000,000 in 1916 to 27,000,000 in 1917, while other foreign cigarettes increased from 298,000,000 in 1916 to 346,000,000 in 1917, according to the unofficial figures procured here. Chinese cigarettes—that is, cigarettes manufactured in China by foreign and Chinese firms—likewise decreased in amount.

The war of competing brands continues, and it requires the greatest vigilance on the part of the rival companies to maintain their hold on the market. Advertising methods and sales inducements to dealers are many and ingenious, and when it is realized that cigarettes are manufactured for distribution at the rate of 15 cigarettes for 1 cent it can be understood how intensively this market is worked. Up to this time only in kerosene and patent medicines have there been found commodities salable to so large a proportion of China's immense population as are cigarettes. When another such commodity can be discovered it is probable that limitless profits will be opened up. For such an article almost infinite divisibility is requisite; in other words, the ultimate sale must be of such a low value as to place it in the reach of a man who has 1 to 5 cents to spend and want to get the highest possible satisfaction out of the spending.

Electrical Materials.

The value of electrical materials imported increased from $39,273 to $66,563 in the two years, but of course a large part of this increase is accounted for by the rise in silver and market values. The real extent of the market for electrical materials and appliances is by no means indicated by these figures, however. By treaty arrangement, machinery for use in the Leased Territory of Kiaochow does not pay import duty and does not appear in the customs returns. This item is important, for there are at present 14 factories operated by electrical power.

Articles imported for Government use also are duty free and not listed. This eliminates from the customs returns all materials purchased for the Government-operated electric-light and telephone departments. The electricity department alone in 1916 expended

$44,699 and in 1917 $55,700 for materials. Government purchases as a rule are made by public tender, or by purchase in the open market from representatives on the ground. There is a scheme on foot to greatly enlarge the electric power house, but the appropriation made for the purpose became, by the rising value of silver and of electrical goods, insufficient for the purpose, and a new plan is now being devised.

The factories that began operating in 1917 under electric power and the horsepower of the dynamos employed embrace a bone grinding mill using 10 horsepower, a silk filature using 8, an iron works using 2, a spinning mill using 812, a flour mill using 275. and an oil mill using 82, making a total of 1,189 horsepower. These dynamos are not operated at full capacity, as the power plant is inadequate.

Drought Causes Increased Imports of Flour—Window Glass.

Imports of foreign flour, mainly from Japan, increased from 873 barrels (196 pounds each) in 1916 to 7,867 barrels in 1917. That this increase was not at the expense of Shanghai and other China-milled flour is shown by the increase in the latter article from 10,571 barrels in 1916 to 93,388 barrels in 1917. The large flour importation was necessitated by drought in the first part of the year. Kaoliang, likewise, was secured in large quantities from surrounding regions to make good the lack of wheat. American flour has disappeared from this market, being unable to meet the competition of the Japanese and the ever-increasing Chinese flour mills.

In 1913, $42,701 worth of glass was imported, and Germany and Belgium supplied $38,227 worth of it. In 1916, 1,664 boxes, containing 100 square feet, entered, and 4,336 boxes in 1917, but the increase was practically all from Japan. The most popular weight was 16 ounces, sold at an average price of 14 silver yen per box, $10 more or less, depending upon exchange, while 24-ounce glass sold at about three times this price. The stock on hand seems to have consisted mostly of 29, 32, and 34 ounce grades. While extensive building operations in Tsingtau required a large increase in the importation of window glass, considerable quantities of glass are used, also, in Tsingtau and along the railway in the manufacture of mirrors, for which the towns of Chowtsun and Weihsien on this line enjoy a local celebrity. Prices of glass are about four times pre-war figures.

American Kerosene Dominates Market—Sugar Imports.

American kerosene imports in 1917 trebled 1916 figures and far exceeded those of 1913. Three companies (including one British) are now marketing the American product. Exchange is a powerful factor in assisting sales, as it acts as an automatic raising of retail prices by 60 per cent over the normal value of silver payments received. Russian oil is no more seen on the market, but Sumatra oil is steadily regaining pre-war sales. Japanese oil, although generally admitted to be of inferior quality, is a competitor of ever increasing strength because of low cost. There are indications, however, that Japanese stocks are not inexhaustible and Japanese producers are continually seeking new sources of supply in China and elsewhere.

Sugar imports increased by 74 per cent over 1916, totaling 42,947,429 pounds. In white refined sugar the Japanese (Formosan)

product doubled, the figures being 6,041,325 pounds in 1916 and 12,025,993 pounds in 1917. Japanese merchants are making a strong effort to capture the Shantung market. Of the sugar candy (crystals) Japan supplied one-seventh in 1916, but one-third in 1917, and total imports in 1917 increased more than two and one-half times. This grade is used both as a confection and in sweetening Chinese wines. In so-called native browns, Hongkong refineries held their own with more than 99 per cent of the total. Hongkong is the transshipping port for Manila and Canton brown sugars.

Imports of Foreign Goods, by Articles.

The following table shows the principal imports of foreign goods into Tsingtau for the years 1913, 1916, and 1917:

Articles.	1913	1916	1917
Asbestos.....pounds..	.....	.....	25,403
Bags, gunny.....pieces..	1,068,804	1,003,235	425,206
Beer and porter.....value..	$34,203	$79,492	$37,762
Borax.....pounds..	.....	.....	24,339
Brass and yellow metal sheets.....do....	98,420	6,118	6,118
Butter.....do....	96,150	13,832	15,960
Buttons, brass.....gross..	118,209	33,955	45,823
Candles.....pounds..	266,300	175,294	387,961
Chinaware.....value..	$46,246	$25,659	$41,145
Cigarettes.....do....	$307,332	$1,079,152	$1,583,595
Clocks.....pieces..	.....	.....	8,952
Coal.....tons..	.....	14,338	9,481
Copper sheets.....pounds..	183,274	22,610	26,467
Cotton manufactures:			
Sheetings, gray, plain—			
American.....pieces..	82,227	15,880	8,180
English.....do....	7,830	3,283	1,450
Japanese.....do....	243,542	239,100	248,193
Shirtings, gray, plain.....do....	382,304	117,622	135,188
Shirtings, white, plain—			
Japanese.....do....	.....	5,608	26,124
Other.....do....	95,204	51,735	52,159
Drills—			
American.....do....	22,814	2,472	720
English.....do....	4,323	269	1,827
Japanese.....do....	4,710	11,063	25,189
Jeans—			
American.....do....	1,780	.....	.....
English.....do....	131,085	11,768	11,858
Japanese.....do....	.....	107,076	79,412
T cloths—			
English.....do....	392,992	87,826	89,342
Japanese.....do....	25,813	181,620	287,690
Cambrics, lawns, and muslins, white, dyed or printed.....do....	26,461	8,656	17,474
Chintzes and plain prints.....do....	136,488	29,195	152,886
Printed drills, furniture covering, and twills.....do....	13,316	300	189
Printed sateens.....do....	15,596	2,970	1,797
Printed T cloths.....do....	21,875	352	6,591
Italians and lastings—			
Fast black.....do....	89,697	64,581	48,453
Plain, colored.....do....	187,982	86,902	101,188
Figured.....do....	175,085	56,009	41,262
Dyed shirtings and sheetings, plain.....do....	5,379	3,621	17,660
Turkey red cambrics and shirtings.....do....	87,289	86,126	63,314
Spanish stripes.....do....	12,636	648	1,410
Flannelettes.....do....	14,354	14,805	29,067
Colored woven cottons.....yards..	125,457	.....	2,288
Velvets and velveteens.....do....	51,912	14,050	28,936
Blankets.....pieces..	31,414	26,742	22,966
Handkerchiefs.....dozens..	17,066	29,510	30,393
Towels.....do....	126,968	127,949	115,970
Yarn—			
Indian.....pounds..	9,118,347	3,777,732	5,386,500
English.....do....	399	.....	.....
Japanese.....do....	27,920,956	29,363,607	21,074,116
Cotton thread, on spools.....gross..	27,327	16,462	24,559
Dyes:			
Aniline.....value..	$223,506	.....	$34,080
Indigo—			
Artificial.....pounds..	4,678,674	24,206	83,391
Natural, liquid.....do....	.....	123,291	18,886
Lead, white and yellow.....do....	382,907	162,526	250,173
Logwood extract.....do....	131,271	.....	.....

Articles.		1913	1916	1917
Electrical materials	value	$29,058	$39,273	$66,563
Enameled-ware basins	dozen	11,755	6,449	7,799
Flour	barrels	52,106	873	7,867
Fish, dried, fresh, salt	pounds	2,292,133	1,181,600	2,512,503
Glass, window	boxes	15,664	1,664	4,336
Glassware	value	$13,260	$9,149	$9,533
Gypsum	pounds	.....	7,847	10,103
Iron and mild steel:				
New—				
Bars	do	2,384,158	.....	154,014
Nail-rod	do	493,962	2,793	1,330
Hoops	do	400,729	.....	94,962
Nails, wire	do	1,288,770	449,274	648,907
Sheets and plates	do	917,567	292,334	36,300
Wire	do	480,263	.....	122,227
Old	do	18,646,467	6,686,043	7,186,788
Iron, unmanufactured	do	513,912	15,029	55,594
Iron, galvanized, sheets	do	901,740	173,831	217,854
Iron and steel manufactures	do	3,705,247	163,590	105,203
Lead:				
In pigs	do	549,024	117,040	378,174
Manufactures of	do	3,325	4,256	2,123
Kerosene:				
American	gallons	5,111,727	2,478,617	7,743,599
Japanese	do	.....	1,408,800	1,217,440
Russian	do	1,754,962	.....	.....
Persian	do	.....	1,446,503	.....
Sumatra	do	2,497,376	1,590,594	1,895,902
Lamps and lampware	value	$44,804	$13,350	$19,189
Matches, Japanese	gross	6,610,566	3,716,069	3,441,349
Mats	number	519,890	109,135	354,726
Metal, white or german silver, sheets and wire	pounds	.....	7,847	6,384
Milk, condensed, in tins	dozen	14,743	5,505	6,789
Needles	thousands	534,605	43,675	172,075
Nickel	pounds	17,423	931	1,862
Opium	do	2,181	15,578	6,068
Paper	do	6,491,390	2,442,412	2,774,646
Pepper, black	do	540,778	208,544	389,025
Quicksilver	do	1,788	931	1,729
Saké	value	.....	$89,268	$97,899
Seaweed	pounds	4,884,558	3,869,236	2,193,569
Silk piece goods, mixtures	do	87,093	31,454	58,643
Soap	value	$19,007	$44,202	$110,010
Soy	pounds	.....	771,001	594,776
Soda	do	5,083,925	.....	643,587
Steel	do	999,495	.....	135,660
Stores, household	value	$89,226	$53,457	$78,073
Sugar:				
Brown	pounds	21,533,897	13,994,792	24,067,689
White	do	5,249,510	3,093,048	5,606,482
Refined	do	11,359,530	6,509,419	10,704,771
Candy (crystals)	do	2,687,797	999,894	2,568,496
Timber:				
Hardwood	cubic feet	23,983	8,862	15,349
Softwood	square feet	4,659,991	1,431,968	1,792,666
Tin	pounds	20,083	15,162	11,837
Tin plates	do	3,072,965	3,413,711	2,802,310
Wines and spirits	value	$74,823	$6,859	$30,806
Wool and cotton unions	yards	83,878	27,214	6,658
Woolen goods:				
Cloth, broad, medium, and habit	do	2,060	160	.....
Spanish stripes	do	2,656	993	310
Other	pieces	2,296	280	134
Woolen yarn	pounds	35,644	12,768	24,472
Zinc, and manufactures	do	190,988	2,926	2,793

In 1913, 42 per cent of the foreign goods imported into Tsingtau came via Chinese ports, while in 1917 only 25 per cent arrived through these ports. Of the total foreign imports 57 per cent were direct shipments from Japan, 5 per cent from the United States and the Philippine Islands, 5 per cent from Hongkong, and the rest scattered. These facts are of obvious interest in considering the best method of getting at Tsingtau markets.

Exports of Local Products.

Although 1917 exports were greater than in either 1913 or 1916 the figures must again, as in the preceding year, be reduced by one

item, that of copper ingots, before the real value of the export trade appears. These ingots are composed of Chinese brass and copper currency (cash) and they did not form an article of export until subsequent to the Japanese occupation of the Leased Territory. The export of copper cash is prohibited by the Chinese customs regulations. A number of factories for the preparation of these ingots from the currency are operated in Tsinan, the capital of Shantung Province, and in Tsingtau. The customs reports for 1917 give the export of this commodity as totaling 90,117,608 pounds, valued at 9,355,481 haikwan taels, or $9,542,590, or 36 per cent of the total net exports of local origin; 2 per cent of this export was shipped to Chinese ports, the rest to Japan.

The exports of manufactured egg products have decreased, owing principally to the closing of the two large German factories. Strong efforts are being made to revive this business, and it is not too much to hope that with the removal of egg products from the list of restricted imports into the United States and with the reopening of European markets this will again become an important export.

Peanuts, both in the shell and kernels, have likewise suffered from the closing of European markets, but in this case the difficulty has been partially overcome by converting the peanuts into oil, which has found a ready market, especially in the United States. Exports of peanut oil were 6 per cent greater than in 1916 and 69 per cent more than in 1913. Out of 33,035,471 pounds exported, valued by the customs at $3,040,256, 769,400 gallons, or about 3,763,500 pounds, valued at $673,981, were included in the declared exports to the United States. Fifty-nine per cent went to Japan direct, less than 1 per cent to other countries direct, and the balance to Chinese ports for reexport. More than 1,000,000 gallons were exported through Chinese ports other than Shanghai, and two-thirds of this amount was made up of the declared exports to the United States shipped almost entirely through Dairen to Seattle, which has exceptional facilities for handling this product. Out of 54,631,346 pounds of peanut kernels exported, 30 per cent went to Japan direct, less than 1 per cent to other countries direct, and the balance to Chinese ports.

Purchase of Beef by United States—Bean Oil and Straw Braid.

The American Government purchased over 5,000,000 pounds of fresh beef from Tsingtau in 1917, for use in the Philippine Islands, or more than half of the total exports of fresh meats and practically all of the fresh beef.

Bean-oil exports worth $1,500,000 amounted to 14,240,709 pounds, an increase of 18 per cent over the previous year. Of these exports, which are unimportant compared with Manchurian exports, 31 per cent went to Japan direct, 1 per cent to other countries direct, 60 per cent through Chinese ports other than Shanghai (principally Dairen), and the remainder through Shanghai. Declared exports to the United States included 4,818,656 pounds of soya-bean oil, valued at $517,277.

Straw braid fell off 30 per cent even from the previous year's small export. For the present, at least, this business seems definitely transferred to other ports, mainly Tientsin and Chefoo, although before the war Tsingtau was the foremost market in China for this product.

Increases in Exports of Salt, Wool, and Tobacco.

Export of salt from Tsingtau has steadily increased from 46,748,835 pounds in 1913 to 150,193,176 pounds in 1917. There are five companies manufacturing salt from sea water in the Territory, one of which refines it. Since salt is a Government monopoly in China, this product must be exported to foreign countries; 38 per cent went to Japan, largely for use in chemical manufacture and the rest mainly to Chosen (Korea). There is one company in Tsingtau manufacturing chemical products from sea water. The water of Kiaochow Bay under analysis shows 3 per cent saline constituents.

Wool exports from this district have risen from 412,167 pounds in 1913 to 1,146,194 pounds in 1917. Shanghai took 56 per cent and Japan 44 per cent. There are no local facilities for cleaning or pressing wool, and its general coarse quality makes it of comparatively low value for spinning or weaving.

Tobacco leaf, of which 4,674,817 pounds were shipped in 1917, has become an important export, but it should be noted that practically all of this amount is raised in Shantung under the supervision of a British company employing American experts and is used in that company's cigarette factories elsewhere in China.

Statistics of Exports, by Articles.

The following table shows the principal exports from Tsingtau to foreign countries and Chinese ports for the years 1913, 1916, and 1917:

Articles.	1913	1916	1917
Alum, white....pounds..	52,668	228,627	55,062
Bean cake....tons..	7,155	2,077	3,132
Beans, yellow....pounds..	93,898	18,221	271,852
Bones, animal....tons..	1,363	1,896	3,103
Breadstuffs: Wheat....pounds..	52,402	754,110	.....
Bristles....do....	488,775	92,568	618,982
Caps, felt....number..	57,391	1,274	1,710
Cattle....do....	28,413	933	263
Coal....tons..	161,523	68,583	146,771
Coke....do....	627	415	30,971
Copper ingots....pounds..	.....	75,257,252	90,117,608
Cotton, raw....do....	6,420,575	3,279,381	1,273,741
Cuttlefish....do....	164,521	150,822	90,573
Dates:			
Black....do....	11,635,372	382,242	736,594
Red....do....	.....	555,142	545,832
Eggs:			
Albumen....do....	213,066	.....	24,472
Yolk....do....	1,198,197	.....	110,390
Whole, prepared....do....	37,240	.....	.....
Fresh....number..	27,056,000	4,004,140	2,205,390
Fibers: Hemp....pounds..	615,125	7,049	532
Fish, dried and salt....do....	251,769	519,764	281,428
Glassware....do....	894,425	664,669	873,411
Hats, straw....number..	187,708	54,382	16,965
Hides, cow....pounds..	5,167,981	5,290,075	4,702,082
Hair, human....value..	$12,502	.....	$3,458
Hair nets, human....do....	$408	$36,824	$92,563
Lead....pounds..	.....	11,571	32,053
Macaroni and vermicelli....do....	329,042	35,245	41,007
Meats, fresh....do....	11,571,931	4,432,757	9,177,665
Medicines....value..	$268,399	$77,793	$44,091
Oils:			
Bean....pounds..	3,548,307	12,094,355	14,240,709
Castor....do....	.....	1,102,437	597,436
Peanut....do....	19,567,226	31,193,953	33,035,471
Pears, fresh....do....	1,955,898	87,780	894,292
Peanuts:			
In shell....do....	15,274,917	632,548	14,231
Kernels....do....	121,114,721	70,336,385	54,631,346
Salt....do....	46,748,835	103,400,850	150,193,176

Articles.		1913	1916	1917
Seeds:				
Apricot	pounds	1,007,342	64,771	349,359
Melon	do	626,829	883,652	298,452
Sesame	do	112,784	290,472	23,541
Silk and silk goods:				
Silk, raw, white—				
Not re-reeled, not steam filature	do	37,373	29,526	22,078
Reeled from dupions	do	3,059	1,729	266
Steam filature	do	.....	3,990	11,172
Silk, raw, yellow—				
Not re-reeled, not steam filature	do	584,136	168,132	143,507
Steam filature	do	27,132	76,475	129,808
Re-reeled	do	.....	23,275	13,167
Cocoons	do	.....	40,961	32,987
Cocoons, refuse	do	1,142,736	141,379	50,141
Waste	do	.....	771,001	383,971
Pongees, shantung	do	916,902	622,706	435,309
Piece goods	do	16,093	2,394	.....
Skins: Goat, untanned	number	131,826	126,150	75,235
Straw braid	pounds	11,609,304	2,020,802	1,415,519
Tallow, animal	do	4,237,114	3,561,474	3,650,451
Timber, soft wood	square feet	.....	1,150,975	1,336,961
Tobacco, leaf	pounds	1,463	1,240,624	4,674,817
Vegetables, fresh	do	4,872,056	2,233,602	1,252,195
Walnuts	do	1,908,816	395,808	68,894
Wool, sheep's	do	412,167	771,267	1,146,194
Zinc:				
Spelter	do	2,394	125,818	526,148
Old	do	58,121	524,419	535,857

Destinations of Direct Shipments of Native Produce.

The correspondence of this office shows that many American firms are interested in exports from Tsingtau of goods of local origin, and the following table is given as of probable interest, only important articles being listed:

Articles.	To Japan.	To other countries.	To Chinese ports.
	Pounds.	*Pounds.*	*Pounds.*
Bristles	52,801	107,730	458,451
Cotton, raw	863,436	5,034	405,271
Hides, cow	2,725,303	115,710	1,861,069
Oil:			
Bean	4,452,042	148,960	9,639,707
Peanut	19,704,615	159,201	13,171,655
Peanut kernels	16,758,000	409,108	37,404,238
Straw braid	1,243,151	125,153	47,215
Wool, sheep	505,932	.....	640,262

The following modifications of direct trade with foreign countries have taken place since the beginning of the war: Direct exports to Germany, France, Belgium, the Netherlands, and Italy, have entirely ceased, although before the war their combined quota of direct exports was 26 per cent; in 1917 only 35 per cent of exports went through Chinese ports, instead of 53 per cent, as in 1913; Japan's share of the trade increased from 8 to 59 per cent in the same period; and that of the Russian Pacific ports decreased from 9 to 1 per cent. There have been no important changes in direct exports to the United States, or other countries, so far as volume of exports is concerned, although a change is noticeable in the character of the articles shipped.

Declared Exports to the United States.

In almost every particular the declared exports from Tsingtau to the United States showed remarkable gains, the total value of the

exports increasing more than tenfold, from $135,981 in 1916 to $1,401,108 in 1917. The increase was almost wholly accounted for by shipments of peanut oil, 769,400 gallons, worth $673,981, and of soya-bean oil, 4,818,656 pounds, valued at $517,277.

Straw braid shows a great falling off since the war started, owing to the closing of the German buying firms and the shifting of firms of other nationalities, to a limited extent, to other ports. In spite of increasing American purchases from this port, the only exports handled by American firms are meats, fresh and salt.

Of the exports to the Philippine Islands, valued at $485,258, 98 per cent consisted of beef purchased by the United States Army.

The table of declared exports to the United States and the Philippine Islands during 1916 and 1917 follows:

Articles.	1916		1917	
	Quantities.	Values.	Quantities.	Values.
TO UNITED STATES.				
Brass ingots.....pounds..			224,000	$31,500
Bristles.....do....	5,720	$1,725	105,685	70,172
Castor oil.....gallons..			4,000	4,032
Meat, preserved.....pounds..			6,186	1,258
Peanut kernels.....do....	225,575	10,505	856,000	60,076
Peanut oil.....gallons..	145,000	78,437	769,400	673,981
Silk (pongee).....pounds..	2,121	2,928		
Soya bean oil.....do....			4,818,656	517,277
Straw braid.....		37,265		31,398
Tallow, animal.....pounds..			75,333	11,414
All other.....		5,127		
Total.....		135,981		1,401,108
TO PHILIPPINE ISLANDS.				
Coke.....tons..			155	6,355
Meat:				
Preserved.....pounds..				1,052
Fresh.....do....	1,858,102	176,039	5,026,284	477,851
Total.....		176,039		485,258
Grand total.....		312,020		1,886,366

Freight Carried by Shantung Railway—Coal Production.

Peaceful internal conditions and brisk foreign trade encouraged traffic on the Shantung Railway, which greatly increased over the preceding year. The total freight moved was 705,254 tons, as against 586,835 tons in 1916. Receipts from all sources, including the sale of coal, were $3,890,193 in 1917 and $2,851,449 in 1916. Expenditures for all purposes, including the development of the new iron mine at Chin Ling Chen, amounted to $3,261,769 in 1917 and $2,008,293 in 1916.

The production of coal from the mines belonging to the railway for the year ending March 31, 1918, was slightly less than in the preceding year. Sales in local markets amounted to 213,030 tons, valued at 911,182 silver yen ($604,387 at exchange $0.6633), giving an average price of $2.78 per ton for all grades. Lump coal for household use sold at from $7.96 to $8.86 per ton. Exports to Shanghai, Hongkong, and Japan aggregated 129,141 tons, leaving a balance of 116,266 tons used on the railway, by the authorities, and in ways not specified. Bunker coal was supplied to vessels to the extent of 9,640 tons,

at an average price of $3.50 per ton. Shipping agents reported that bunker coal was not available in the quantities required by vessels.

General Review.

There are no American firms doing a general import and export business in the Leased Territory of Kiaochow. From time to time representatives of American concerns visit the port, securing a fair amount of business in the way of sales to the railway, which has purchased considerable equipment and would like to secure a great deal more from American sources, but is hindered at present by limitations imposed by the war. American business, however, is making no attempt to secure any portion of the great bulk of the importing or exporting. The abundant opportunities elsewhere account for this very naturally and it is equally natural that this business should go on through Japanese agencies.

There has been a great deal of building activity in this port in the last two years, but the amount of American hardware and materials used has been insignificant. In factories recently erected most of the equipment has been secured from Japan and a small amount from the United States and Great Britain.

A contract has just been let for the reclamation of 720,000 square feet of land, part of the new city that is planned. With scores of new factories, residences, restaurants, shops, and office buildings, the latter handsome structures of brick and stone, already erected, the greater Tsingtau planned by the Japanese authorities seems on the threshold of realization. In the increased volume of business on which this expansion must be predicated it is to be hoped that the United States may have an important share. Publicly and privately men at the head of affairs in the Leased Territory have welcomed the enterprise and capital of all friendly nations to assist in this great development.

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